Title: **Cosmetic Surgery Reconciliation & Compliance**

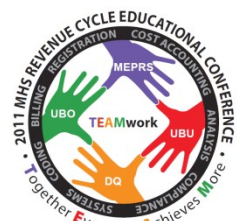Session: **W-2-1430**

Objectives

- Review Cosmetic Surgery business processes
- Discuss reconciliation functions and best practices
- Learn how to identify risk of compliance gaps
- Understand how to calculate risk concern level and rank risk area
- Collect and convert findings into an effective plan to minimize risk and improve compliance
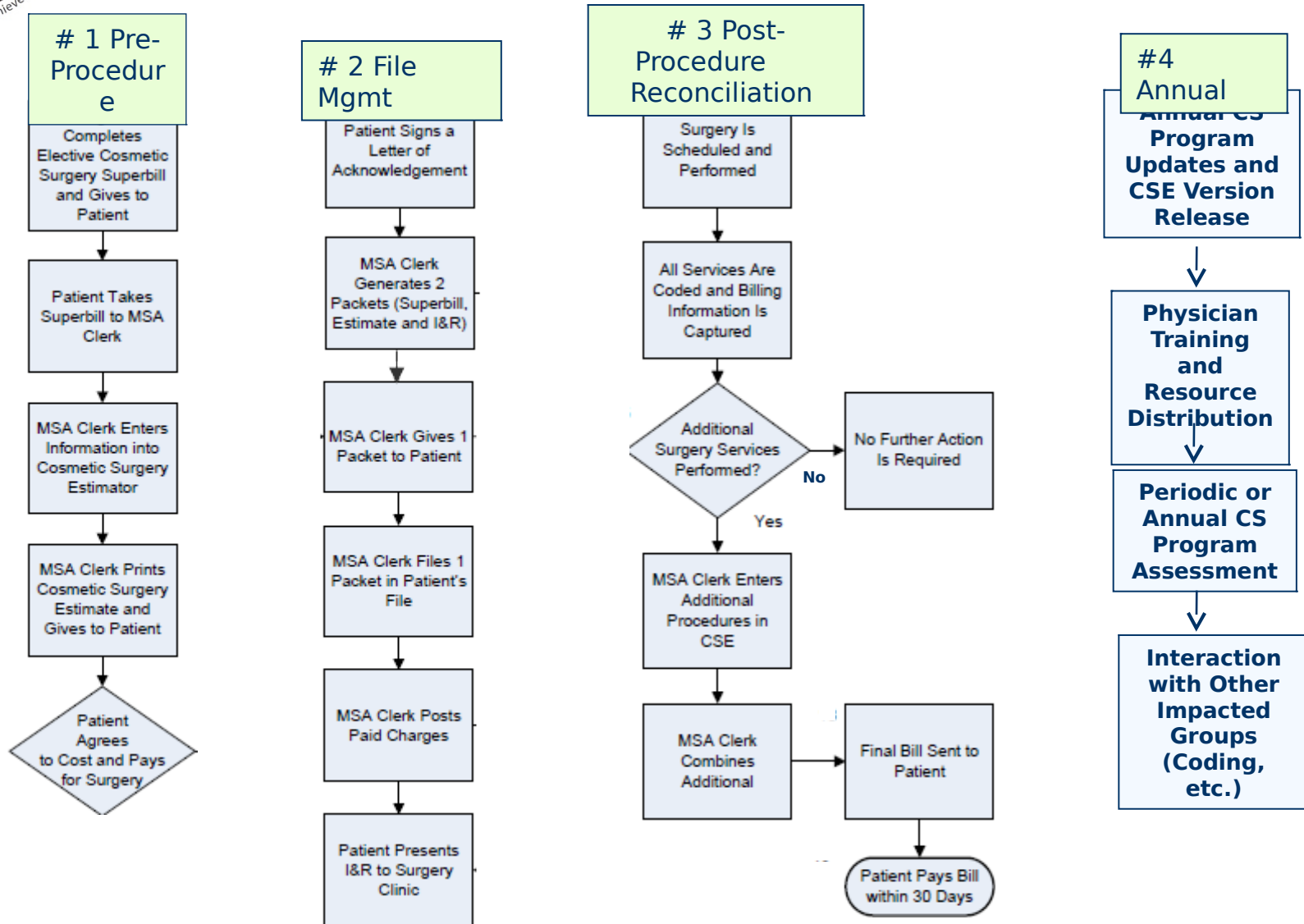
Review Cosmetic Surgery Business Processes

- Business process divided into four functions:
  1. Pre-procedure estimate and payment as applicable

  2. Business file management, both hard and soft copy

  3. Post-procedure reconciliation and billing

  4. Annual rate and program updates, program evaluation, resource distribution, and training to physicians

- Program and organizational resources available:
  - Your Service Managers and SMEs
  - Cosmetic Surgery User Guide
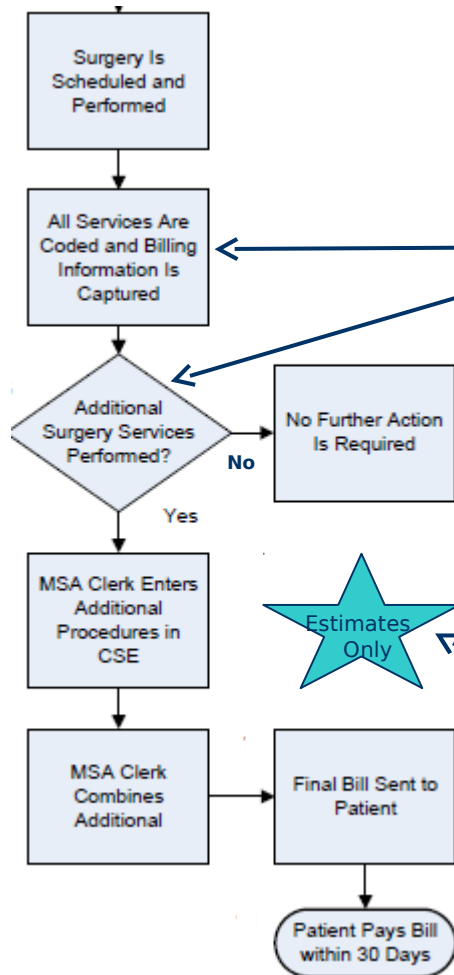 - UBO Helpdesk, Conference, Webinars

User Guide Process Flowchart

1 Pre-Procedure

Completes Elective Cosmetic Surgery Superbill and Gives to Patient

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Patient Takes Superbill to MSA Clerk

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MSA Clerk Enters Information into Cosmetic Surgery Estimator

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MSA Clerk Prints Cosmetic Surgery Estimate and Gives to Patient

↓

Patient Agrees to Cost and Pays for Surgery

2 File Mgmt

Patient Signs a Letter of Acknowledgement

↓

MSA Clerk Generates 2 Packets (Superbill, Estimate and I&R)

↓

MSA Clerk Gives 1 Packet to Patient

↓

MSA Clerk Files 1 Packet in Patient's File

↓

MSA Clerk Posts Paid Charges

↓

Patient Presents I&R to Surgery Clinic

3 Post-Procedure Reconciliation

Surgery Is Scheduled and Performed

↓

All Services Are Coded and Billing Information Is Captured

↓

Additional Surgery Services Performed? — No → No Further Action Is Required

↓ Yes

MSA Clerk Enters Additional Procedures in CSE

↓

MSA Clerk Combines Additional → Final Bill Sent to Patient

↓

Patient Pays Bill within 30 Days

#4 Annual

Annual CS Program Updates and CSE Version Release

↓

Physician Training and Resource Distribution

↓

Periodic or Annual CS Program Assessment

↓

Interaction with Other Impacted Groups (Coding, etc.)

4

Reconciliation Functions and Workflow

```
Surgery Is
Scheduled and
Performed
        |
        v
All Services Are
Coded and Billing  <---------
Information Is              \
Captured                    \
        |                    \
        v                     \
Additional                    \
Surgery Services  --> No Further Action
Performed?    No       Is Required
        |
        | Yes
        v
MSA Clerk Enters        Estimates
Additional               Only    <-----
Procedures in                         \
CSE                                    \
        |                               \
        v                                \
MSA Clerk         Final Bill Sent to
Combines     -->  Patient
Additional
                        |
                        v
                 Patient Pays Bill
                 within 30 Days
```

• An overlooked business function with
   revenue and compliance impact

• Biggest disconnect is when the provider
   selects the code(s) in advance versus
   what ends up actually reported in CHCS

• Strive to include MTF coders/auditors in
   the reconciliation process and, ideally, to
   work with physicians when using the
   Superbill

- Courtesy of MSA Business Office at Madigan AMC

Cosmetic Surgery Tracking Tool

Or other naming convention to shield PHI depending on your specific facility HIPAA policies and procedures

BEST PRACTICES!

Patient Name	Clinic	Physician	Main Procedure	Date Received	Total Amount	Date Faxed to Clinic
DOE, JANE	PLASTIC	DR. BOB	LIPOSUCTION	13-Jul-09	$2,580.00	14-Jul-09
DOE, JANE	PLASTIC	DR. BOB	MAMMAPLASTY	9-Jul-09	$8,060.00	10-Jul-09
DOE, JANE	VASCULAR	DR. CAT	SCLEROTHERAPY	10-Jul-09	$150.00	WINDOW
DOE, JANE	VASCULAR	DR. CAT	SCLEROTHERAPY	14-Jul-09	$160.00	WINDOW
DOE, JANE	PLASTIC	DR. SHOE	MAMMAPLASTY	9-Jul-09		10-Jul-09
DOE, JANE	PLASTIC	DR. SHOE	ABDOMINOPLASTY	13-Jul-09		ul-09
DOE, JANE	PLASTIC	DR. DOOR	MAMMAPLASTY	9-Jul-09		10-Jul-09
	OUT TO CODING					
	PATIENT PAID					
	RM PAID CLINIC/TRANSFERRED					
(NO COLOR)	Estimates Faxed to Clinic					

Cosmetic Surgery Tracking Tool						

Consider adding the category EST to follow up on Estimates without payment if tracking this activity

Date Paid	Date of Surgery	Date to Coding	Date Returned From Coding	Refund	RM MESSAGE	AMOUNT PAID CLINIC
20-Jul-09	22-Jul-09	30-Jul-09	4-Aug-09		OK TO PAY	$2,580.00
10-Jul-09	TBD					
14-Jul-09	TBD					
11-Jul-09	EST			$8,060.00	CHANGED MIND	
15-Jul-09	6-Aug-09	15-Aug-09				
	OUT TO CODING					
	PATIENT PAID					

7

What to Look for to Identify Risk

- Risk affects the business intentions of a compliant operation
- Key: Understand the entire program requirements and processes
  - Identify areas of risk in each category of the business cycle
  - Define the flags/occurrences that indicate the risk
  - What category or categories are impacted by the risk?
  - Who has primary responsibility to minimize risk?
- Create a Microsoft® Excel spreadsheet to summarize risk:

Risk Area	Determine Risk Factor Flags	Business Process Category	Primary Responsibility

- Calculate risk concern level
  - Assign a risk level (Low, Med, High, or 1-3) to Revenue and Compliance risk categories

- Rank risk areas using same risk concern methodology
  - Individual or team effort to help calculate each item's overall risk factor including the likelihood and effect of each identified risk

- Determine overall factors to rank in order of priority

Level of Risk of Revenue Loss	Level of Business Compliance Risk	Control Factor-Bus Ops Compliance	Level of Effort- Bus Ops	Priority Ranking	Gap Closure Action

Collect and Convert Findings into a Plan

Risk Area	Determine Risk Factor Flags	Business Process Category	Primary Responsibility	Level of Risk of Revenue Loss	Level of Business Compliance Risk	Control Factor-Bus Ops Compliance	Level of Effort-Bus Ops	Priority Ranking	Gap Closure Action
Identifying patients receiving ECS	Variance in volume and collections between similar MTFs	# 1 Pre-Proc	Physicians	HIGH	LOW	LOW	HIGH	?	
Was the Estimate payment correct?	Is there evidence of a reconciliation process where the codes in CHCS are matched to the codes on the Estimate?	# 3 Post Recon	MSA Business Office	HIGH	HIGH	HIGH	MED	HIGH	Develop written process to track all estimates and/or payments with the actual procedures performed.
Use of non-standard superbill	Could result in incorrect estimate	# 4 Annual	MSA Business Office	MED	HIGH	HIGH	LOW	MED	
Estimate generated - patient declines	Patient tells provider they paid-ECS for free	# 1 Pre-Proc & # 3 Post Recon	MSA Business Office	MED	MED	MED	MED	MED	Pre-Procedure: Establish procedure to handle estimates w/o payment; keep an individual file for each patient to include copy of superbill and estimate report from CSE or in one folder; establish process with physician to validate pt paid before scheduling (e.g., fax or hand deliver I&R) ; Reconciliation: maintain electronic tickler file to validate whether patient received any ECS procedures w/o paying
Is there a record of payment?	Is there a print out of CHCS posting of charge and payment in the patient file?	# 2 File Mgmt	MSA Business Office	HIGH	HIGH	HIGH	LOW	HIGH	
All required MSA paperwork completed and filed in required areas	Letter of Acknowledgement not signed or incomplete; no copy of superbill or CSE-generated estimate; no copies in medical record; lacking organizational file system; lack of individual patient file; PHI/HIPAA issues	# 2 File Mgmt	MSA Business Office	LOW	HIGH	HIGH	LOW	HIGH	Develop written process to identify individual business file setup and management to include short and long term storage of paper and electronic (current CSE software version) estimates and other required paperwork. Develop a checklist for periodic internal prevention/detection/correction activities and periodic reporting to organizational leadership.
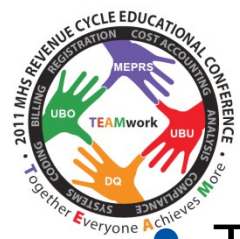
Take Action With Your Gap Closure Plan

- This is not a one-person undertaking – it takes a team!
  - Start within your department; 1-2 people develop framework
  - Team meeting(s) to add detail and prioritize implementation
  - Great start to developing a comprehensive compliance plan
- Tickler files, whether manual or electronic, or both, are great gap closers
- Implement "quick hitters" to start out
  - Known factors, like staffing issues, can change risk priority
  - Provides a great starting point for strengthening communication with other stakeholders in your facility

Interaction with Other Stakeholders

- One last area that can be a frustration
- MSA staff are integral to Cosmetic Surgery policy compliance
  - But they are not intended to be the policing authority
- Clinical interpretation of what is cosmetic vs. medically necessary or reconstructive surgery varies across the enterprise
- Start by referring policy questions related to clinical justification through your MTF and/or Service organizational chain
- Elevate policy questions via UBO Helpdesk for assistance to support MHS Enterprise consistency with Cosmetic Surgery policy compliance

- **UBO.Helpdesk@altarum.org**
  - Include "Cosmetic Surgery" or "CS" in subject line
  - Queries that are policy centric (e.g., physician requests, pricing exceptions, medical necessity clarification) will be elevated to your Service Manager and the TMA UBO Program Office for a coordinated response
  - With the strong MSA staff and leadership across the MHS enterprise, TEAMwork succeeds: Together Everyone Achieves More

- **Communication Is Key**

Thank you for your help. I appreciate it!